

# FINAL BILL REPORT

## HB 1199

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C 219 L 09  
Synopsis as Enacted

**Brief Description:** Regarding retainage of funds on public works projects.

**Sponsors:** Representatives Haigh, Kristiansen, Hunt and Armstrong; by request of Capital Projects Advisory Review Board.

**House Committee on State Government & Tribal Affairs**  
**Senate Committee on Government Operations & Elections**

**Background:**

In most instances, the general contractor on a public works project is required to post a performance bond to faithfully perform all work under the contract and to pay laborers, material suppliers, and subcontractors. In addition, a retainage of up to 5 percent of the contract amount is required on public works contracts to be paid to the contractors 45 days after the completion of the project. The amount serves as a trust fund for payment of laborers, subcontractors, material suppliers, and excise taxes that are imposed on the contract.

**Summary:**

Obsolete references relating to retainage of funds on public works contracts entered into prior to September 1, 1992, are removed. Statutes related to timely payment of interest on unpaid public contracts, public works retainage, excess over lien claims to contractor, and duties of the disbursing officer upon final acceptance of contract are each repealed.

**Votes on Final Passage:**

House	96	0
Senate	46	0

**Effective:** July 26, 2009

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*